

STATE OF MAINE
PUBLIC UTILITIES COMMISSION

PUBLIC UTILITIES COMMISSION)	
)	STIPULATION
RE: Investigation of Exemptions For)	
Small Consumer Owned Utilities)	August 30, 2000
)	
Docket No. 00-244)	

This Stipulation is an Agreement entered into by certain parties to the above-captioned proceeding, including the Isle-au-Haut Electric Power Company (Isle au Haut), the Matinicus Plantation Electric Company (Matinicus), the Monhegan Plantation Power District (Monhegan), each of which is a consumer-owned transmission and distribution utility (COU), and the Public Advocate, a department within the Executive Branch of the State of Maine.

I. PURPOSE

Section 3504 of Title 35-A, as amended, authorizes the Public Utilities Commission to exempt consumer-owned transmission and distribution utilities with 150 customers, or less, from any of the requirements of Title 35-A, except sections 3502 and 3503, and from any Commission rule. On March 21, 2000, the Commission initiated an investigation to determine what sections of Title 35-A and the Commission rules should be waived.

The purpose of this stipulation is to resolve the issues raised during the Commission's investigation and to submit to the Commission a list of the statutory sections and Commission rules that the undersigned parties agree shall be waived. Overall, the parties to this stipulation seek to avoid further technical conferences or hearings on these issues, and seek to expedite the Commission's consideration and resolution of this proceeding.

II. PROCEDURAL HISTORY

By its Notice of Investigation, dated March 21, 2000, the Commission initiated this investigation to determine from which sections of Title 35-A Maine Revised Statutes, and of its rules, small consumer-owned utilities (COUs) shall be exempted. The Isle au Haut Electric Power Company (Isle au Haut), the Matinicus Plantation Electric Company (Matinicus) and the Monhegan Plantation Power District (Monhegan) were made parties to the proceeding. On

March 29, 2000, the Public Advocate filed its petition to intervene. On March 31, 2000, Peter J. Boehmer, of the New Monhegan Press/Monhegan Commons, filed a petition to intervene. No objections were filed to the petitions to intervene; and those petitions were granted by Procedural Order, dated April 25, 2000.

On May 8, 2000, Isle au Haut submitted a letter proposing that all provisions of Title 35-A, except those prohibited from waiver, should be waived. As an alternative, Isle au Haut attached a list of the sections of Title 35-A indicating which specific sections should be waived. On May 15, the Advisory Staff submitted a Bench Memorandum that included a chart outlining the Staff's view of the request by Isle au Haut. On May 23, 2000 Isle au Haut responded with a letter identifying sections of Title 35-A on which it took a position different than the Advisory Staff. On May 25, 2000, the Public Advocate submitted its comments, identifying sections that it recommended not be waived.

On June 2, the initial case conference in this proceeding was held by telephone. Isle au Haut, the Public Advocate and the Advisory Staff were active participants. Thereafter, on July 19, 2000, the Advisory Staff issued a Bench Memorandum that identified areas of agreement and issues in dispute. On July 25, 2000, Isle au Haut filed a letter offering a settlement of outstanding issues. In a telephone conversation, which took place on or about July 27, 2000, between Isle au Haut, the Public Advocate and the Advisory Staff, the active parties agreed to a settlement.

On August 15, 2000, Peter J. Boehmer, of New Monhegan Press/Monhegan Commons, indicated that he had not intended to intervene as a "party" to this proceeding. Instead, his intent was simply to be listed as an "interested party," so that he might report on developments in this proceeding. Accordingly, Mr. Boehmer indicated that he did not want to be a signatory to the Stipulation.

III. STIPULATION PROVISIONS

Isle au Haut, Matinicus, Monhegan and the Public Advocate agree to the following terms and conditions:

A. Record

The record on which the Commission may base its findings and decision in this proceeding shall consist of the following documents:

May 8, 2000 Letter from Isle au Haut,
May 15, 2000 Bench Memorandum,
May 23, 2000 Letter from Isle au Haut,
May 25, 2000 Comments of Public Advocate,
July 19, 2000 Bench Memorandum, and
July 25, 2000 Letter from Isle au Haut.

B. Waiver of Certain Statutory Sections

Isle au Haut, Matinicus, Monhegan and the Public Advocate agree that, with the limitations noted below, the following sections of Title 35-A of the Maine Revised Statutes shall be waived for those three consumer-owned transmission and distribution utilities (COUs):

Sections 113, 304¹, 306, 308, 311, 313, 501², 502³, 503, 504, 707, 708, 709, 711, 712, 713, 714, 901-911, 1101-1103, 1310, 1508-1510, 2103, 2106, 2311, 2515, 2522, ch. 27⁴, 3102, 3103, 3131, 3132, 3133, 3133-A, 3134, 3137, 3138, 3142, 3152, 3153-A through 3156, and 3195, ch. 32, ch. 33.

1. Conditions or Limitations on Waiver

The waiver of the particular statutory sections identified above is dependent on the following conditions or limitations:

¹Section 304 is waived on the condition that each consumer-owned transmission and distribution utility (COU) shall maintain, at its office, a copy of its tariffs available for customers to inspect.

²Section 502 is waived only on the condition that each COU shall file with the Commission a chart of accounts that meets GAAP requirements.

³Section 503 is waived only on the condition that each COU shall file each year with the Commission annual audited financial statements (Income Statement and Balance Sheet) in lieu of filing its annual report on the Commission's blank forms. Each COU shall continue to file with the Commission the page of revenue information necessary for the Commission to make its assessment.

⁴Chapter 27 is waived on the condition that each COU shall develop a reasonable procedure to resolve disputes with customers.

C. Waiver of Certain Commission Rules

Isle au Haut, Matinicus, Monhegan and the Public Advocate agree, with the limitations noted below, that the following chapters of the Commission's Rules shall be waived for those three consumer-owned transmission and distribution utilities:

Chs. 120¹, 301-309, 310², 311-313, 320³, 321-323, 330, 332, 334, 340, 341, 350, 360, 370, 380, 720, 730, 820, 830, and 870.³

1. Conditions or Limitations on Waiver

The waiver of the particular Commission Rules identified above is dependent on the following conditions or limitations:

¹Chapter 120 is waived only on the condition that each consumer-owned transmission and distribution utility (COU) shall maintain at its office a copy of its tariffs available for customers to inspect.

²Chapter 310 is waived only on the condition that each COU shall file with the Commission a chart of accounts that meets GAAP requirements.

³Chapters 320 and 870 are waived on the condition that each COU shall develop a reasonable procedure to resolve disputes with customers.

D. Statutory Chapters Not Applicable

The parties agree that the following chapters of Title 35-A, Maine Revised Statutes, are not applicable to consumer-owned transmission and distribution utilities and that, therefore, no waiver of these chapters is necessary:

Chs. 37, 39, 41, 43, 45, 47, 51, 61-69, 71-79, 81, 83, and 85.

E. Other Statutes Not Waived

Any chapter or section of Title 35-A M.R.S.A. not specifically listed and waived in Paragraph B above shall remain in effect.

F. Rules Not Waived

The following chapters of the Commission's Rules are not waived:

Chs. 110, 130, 710, 810, 860, 880, 890, and 910.

However, the parties to this proceeding understand that, as part of the agreement reached in this proceeding, the Advisory Staff will recommend that the Commission revise the current versions of Chapter 810 and Chapter 860 of its Rules, giving special consideration, as required by 35-A M.R.S.A. Section 3504(2), to the abilities and concerns of small consumer-owned utilities.

G. Future Waivers

The parties agree that, in the event that any eligible consumer-owned electric utility receives a more extensive waiver of sections of Title 35-A, or of the Commission's Rules, at any time in the future, a similar waiver will be granted to Isle au Haut, Matinicus and Monhegan.

H. Standard Provisions

1. The parties intend that this Stipulation be considered by the Commission for adoption as an integrated solution to the issues in this proceeding, and that this Stipulation shall be null and void and does not bind the parties in this proceeding if the Commission does not accept it without material modification.

2. Except as expressly provided otherwise herein, the making of this Stipulation by the parties shall not constitute precedent as to any matter of law or fact, nor shall it foreclose any party hereto from taking any contention or exercising any right, including rights of appeal, in any other Commission proceeding, or investigation, or in any other trial or action.

3. The parties agree to waive ex parte restrictions to the full extent necessary for the Advisory Staff to present and discuss this Stipulation with the Commission.

IN WITNESS THEREOF, the parties have signed this Stipulation, requesting that it be approved by the Public Utilities Commission without significant modification.

Isle au Haut Electric Power Company

Dated: _____

By: _____
Gordon L. Weil,
Its Representative

Matinicus Plantation Electric Company

Dated: _____

By: _____
Assessor
Matinicus Plantation

Matinicus Plantation Electric Company

Dated: _____

By: _____
Assessor
Matinicus Plantation

Monhegan Plantation Power District

Dated: _____

By: _____
Alan Stone, Esquire
Its Attorney

The Public Advocate

Dated: _____

By: _____
William C. Black
Deputy Public Advocate